**Sent:** Thur 3/2/2017 4:30:46 PM

Subject: Upcoming Meeting on Peabody Seven Hills Project

Hello Bryce:

As a follow-up to Wednesday's call, I wanted to get back with you regarding some specifics about the meeting and respond to some of the concerns you expressed during our phone call.

First, this will confirm our desire to host the meeting here at Region 5's Office in ChicagoI am writing in follow up to our call on March 1, where we talked about meeting in Chicago to discuss the Seven Hills mine. We have coordinated with our Acting Regional Administrator, EPA HQ, the U.S. Army Corps of Engineers (Corps), and the U.S. Fish and Wildlife Service. Of the dates you provided, March X is the best date for a meeting in the Region 5 offices.

On our call you indicated your concern about EPA's Aquatic Resource of National Importance (ARNI) designation and the federal agencies' view that an EIS is appropriate for this project. I want to stress that the ARNI designation is a resource-based threshold used to determine whether individual permit cases are eligible for elevation under the 1992 MOA between the Corps and EPA. This process ensures that the Corps will continue to coordinate with EPA as it moves through the permitting process; it has nothing to do with the NEPA or EIS process. Since 2000, the Region has used the ARNI designation only nine times.

EPA staff have reviewed the technical material and response to comments that you provided at the January 19 meeting in Indianapolis. As discussed at that meeting, EPA subsequently provided comments on the NESA analysis provided as part of the technical material. In addition, we have discussed with the Corps recommendations that we can provide to you on a potential assessment methodology. EPA staff has also created a map that may help identify potential mitigation sites within the watershed.

I want to emphasize that the Corps is the lead on this project. This is the Corps' permitting process and EPA's role is to provide comment and input to the Corps. It is the Corps' decision to require an EIS and to either issue or deny a permit, regardless of EPA's position. That said, EPA commits to working with the Corps, the FWS and Peabody Energy to make this a project that will benefit both the company and the environment. I look forward to meeting with you.

Chris Korleski

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